

Refugee Lens Investing

Economic Growth and
Inclusion in Mafrq, Jordan



About IFC

IFC – a member of the World Bank Group – is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2024, IFC committed a record \$56 billion to private companies and financial institutions in developing countries, leveraging private sector solutions and mobilizing private capital to create a world free of poverty on a livable planet. For more information, visit www.ifc.org.

About RIN

Refugee Investment Network (RIN) is the first and only impact investing and blended finance collaborative dedicated to creating long-term solutions to global forced migration. As a specialized, not-for-profit investment intermediary, RIN mobilizes capital to projects benefiting refugees and host communities to spur economic growth, create jobs, and increase social and economic cohesion. Developed by RIN and its members, the “refugee lens investing” or RLI framework provides investors with tools to assess, measure, and qualify prospective and historical deals as “refugee investments.” For more information, visit www.refugeeinvestments.org.

About Prospects

Prospects is a global partnership that aims to improve the access of host communities and forcibly displaced people to education, social protection and decent work. Spearheaded by the Government of the Netherlands, it brings together the International Finance Corporation (IFC), the International Labour Organization (ILO), the UN Refugee Agency (UNHCR), the UN Children’s Fund (UNICEF) and the World Bank to help transform the way in which governments and other stakeholders, including the private sector, respond to forced displacement crises.

This publication was funded by the Kingdom of the Netherlands, Ministry of Foreign Affairs, as part of the Prospects partnership it spearheaded.

Table of Contents

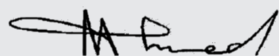
Foreword	4
Introduction	5
Research Approach	7
Refugee Lens Investing Landscape in Jordan	8
The Socio-Economic and Policy Context in Mafrq	10
Refugee Lens Investing Pipeline for Mafrq	13
Recommendations	22

Foreword

In 2024, the estimated number of forcibly displaced people in the world surpassed 120 million – a record high that represents a doubling from just 10 years ago. The impact of this troubling reality can be seen far beyond the hardships witnessed in camps, settlements, and the peri-urban enclaves where so many displaced people live around the world. Indeed, today's refugee crisis touches political, economic, and social development in wealthy and emerging markets alike, far surpassing the capacities of traditional humanitarian and developmental responses to address the challenge and necessitating new and innovative models.

For the International Finance Corporation (IFC), developing private sector-led solutions to strengthen the inclusion of forcibly displaced people in their host environments is a strategic priority, particularly in the Middle East. Accordingly, IFC invited the Refugee Investment Network (RIN) to conduct a market assessment of the Mafrq Governorate in Jordan, home to the Za'atari Refugee Camp. RIN's methodology aims to strengthen the paradigm of considering forcibly displaced people as potential drivers of growth and economic opportunity that will benefit them as well as their host communities. They are entrepreneurial, industrious, and invaluable contributors to local economies. This assessment reinforces that narrative, presenting refugees as vital economic actors whose talents and aspirations are integral to the development of thriving markets and communities.

On behalf of the International Finance Corporation



Khawaja Aftab Ahmed
IFC Division Director

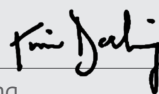
In this light, "Refugee Lens Investing: Economic Growth and Inclusion in Mafrq, Jordan" was undertaken. The study highlights the transformative role that the private sector in Jordan could play in fostering employment opportunities and upskilling for both refugee and host communities.

This report identifies viable investment opportunities that will help integrate vulnerable groups including women, youth, and refugees: it provides actionable insights into the capital needs of businesses and the steps necessary to foster a conducive environment for investment in Mafrq; and it points to the spectrum of capital to support them, from development financing to impact funds. The report further underscores the critical role that businesses can play in creating jobs, offering innovations, and driving sustainable economic growth in Mafrq.

We hope this report will inspire stakeholders across sectors to embrace Refugee Lens Investing (RLI) and the role of the private sector as a key conduit to unlock the economic potential of the forcibly displaced, and their hosts everywhere and mobilize capital to do so. Working together we can continue to improve and scale this new model as we endeavor to better respond to one of the defining challenges of our time.

This report was made possible by the partnership of the government of the Netherlands and funded under the Prospects Partnership.

On behalf of the Refugee Investment Network



Tim Docking
Chief Executive Officer

Introduction

This IFC market assessment focuses on the Za'atari Refugee Camp and surrounding areas in Mafraq, Jordan. Its goal is to attract private sector investments that support businesses integrating vulnerable groups, such as women, youth, persons with special needs, and refugees. This report provides actionable insights and recommendations for promoting private sector development and economic opportunities for refugees and host communities in Mafraq. It includes market analysis; investment opportunities; capital needs; potential sources of investment; and policy frameworks affecting business operations, such as refugee employment, taxes, and exporting.

Indeed, this report seeks to add to the research and literature that casts refugees as rational economic actors who are often entrepreneurial, hardworking, loyal employees, and investment-worthy and thus critical actors in economic development. As IFC's seminal 2018 report, "Kakuma as a Marketplace: A Consumer and Market Study of a Refugee Camp and Town in Northwest Kenya," affirms, "attracting new private sector players to the area, expanding the operations of existing firms, and supporting local entrepreneurs have the potential to expand job opportunities for refugees and the host community, improve services, provide more choice, reduce prices, and contribute to self-reliance."¹

In Jordan, too, in alignment with the government of Jordan's *Economic Modernization Vision (EMV)*, supporting the private sector and incorporating its participation into

sustainable solutions for refugees and their hosts is more important than ever. The EMV prioritizes the integration of refugees into the formal labor market, alongside vocational training, entrepreneurship promotion, and inclusive economic participation.² Jordan's internal challenges tied to the national economy include regional instability caused by violent conflict, high unemployment rates, climate change risks, water scarcity, and a decline in international grants provided to Jordan to address refugee needs, among others. "Unemployment remains high at 23 percent for Jordanians, 28 percent for Syrian refugees, and 36 percent for refugees of other nationalities, affecting women and youth the most."³ According to the 3RP, Barriers to formal employment persist for refugees, including the regulatory processes for work permits and the cost of social security contributions.⁴ The combination of barriers to self-reliance and declining cash assistance means that the poverty rate for refugees across Jordan increased to 67 percent in 2024 from 57 percent in 2022.⁵

In this context, Refugee Lens Investing (RLI),⁶ an impact investing approach to advance both private sector engagement and self-reliance for refugees and host communities offers solutions for increasing private sector investment in Jordan, especially in communities heavily affected by forced displacement, such as Mafraq.

By investing in enterprises and financial institutions that boost entrepreneurship and employment, RLI focuses on sustainable economic inclusion and local economic development.

¹ IFC "Kakuma as a Marketplace." April 2018. <https://www.ifc.org/content/dam/ifc/doc/mgrt-pub/20180427-kakuma-as-a-marketplace-vi.pdf>

² Jordan Ministry of Planning. "Economic Modernization Vision (2023-2025)"

[https://www.mop.gov.jo/ebv4.0/root/storage/en/eb-list-page/the-executive-program-for-the-economic-modernisation-vision-\(2023-2025\).pdf](https://www.mop.gov.jo/ebv4.0/root/storage/en/eb-list-page/the-executive-program-for-the-economic-modernisation-vision-(2023-2025).pdf)

³ 3RP March 2023 https://www.3rpsyriacrisis.org/wp-content/uploads/2024/03/3RP_RSO_2024_.pdf

⁴ According to UNHCR, 1/3 of the Syrian refugees of working age report income-generating activities in the last 30 days, of which only 18 percent report holding a valid work permit. However, work permits lead to higher consumption, lower poverty rates, and better working conditions. UNHCR "2024 VAF Socio-Economic Survey on Refugees in Host Communities." June 3, 2024. <https://data.unhcr.org/en/documents/details/109075>

⁵ According to UNHCR unemployment remains high. "2024 VAF Socio-Economic Survey on Refugees in Host Communities." June 3, 2024.

⁶ RLI has been developed by The Refugee Investment Network (RIN) <https://refugeeinvestments.org/resources/refugee-lens/>

Figure 1: Refugee Investment Lens

Figure 1 illustrates the framework that identifies opportunities for private sector investments benefiting refugees and host communities, i.e., Refugee Lens Investing. This lens is a tool to assess and qualify prospective and historical deals, which must meet the criteria of at least one of the following categories below.



R1: Refugee-owned businesses
at least 51% ownership or at least
1 refugee in a key operational role



R2: Refugee-led enterprises
at least 1 refugee in senior management
or refugee representation on the board



R3: Refugee-supporting ventures
intentionally provide goods and
services to or employ refugees



**R4: Refugee-supporting, host-weighted
activities** source at least 10% from
refugee-led businesses



R5: Refugee lending facilities
provide debt instruments with 25% of loan
proceeds to R1-R4 enterprises



R6: Refugee funds
provide equity or alternative financing
to R1-R4 enterprises

Note: This report was prepared prior to the most recent political changes in Syria. Despite the reopening of borders, the economic challenges associated with protracted displacement and refugee presence in Jordan remain highly relevant.

Research Approach

The research supporting the following analysis and recommendations has been conducted by The Refugee Investment Network (RIN), an impact investing and blended finance collaborative dedicated to creating long-term solutions to global forced migration. RIN has sought to identify promising opportunities for IFC and other impact-oriented investors to deploy capital to help create jobs, inclusive local development, and self-reliance for host communities and refugees in Mafrq Governorate.

To achieve this, RIN has adopted a multi faceted approach that began with a thorough understanding of the challenges and opportunities present for businesses in the target area. This involved conducting research to identify key stakeholders and assess market dynamics. RIN's methodology has incorporated a thorough review of literature; 20 interviews in total with businesses, capital providers, and other stakeholders from the development and humanitarian sectors as key informants for their insights into RLI opportunities in Mafrq; and comparative analysis.

Key informant interviews included Alfanar Venture Philanthropy; Amam Ventures; The United States International Development Finance Corporation (DFC); The European Bank for Reconstruction and Development (EBRD); Grofin Nomou Fund; Jordan Start; Microfund for

Women; SANAD Fund (Finance in Motion); Silicon Badia; UNDP Sustainable Finance Hub; and World Bank - Private Sector for Refugees (PS4R). Research also included a Deld visit to Jordan in June 2024, which included visits to local businesses in Mafrq and stakeholder research validation sessions in Amman, at UNHCR (with donors and private sector, development, and humanitarian community members) and the Jordan Strategy Forum, a leading think tank on economic development in Jordan (with members of the Jordan Impact Investing Board).

This market assessment, fieldwork, and report have been made possible with a generous contribution from IFC through the Prospects Partnership.⁷ The research was led by Tim Docking, CEO, and Selen Ucak, Entrepreneurship and Strategy Lead at RIN. RIN would like to sincerely thank the research participants and key informants for their time, insights, and wisdom they shared over the months-long research period.

Research took place from February to June 2024.

⁷ The Prospects Partnership, funded by the Netherlands and implemented by a consortium of organizations, including UNHCR, UNICEF, ILO, World Bank, and IFC, was established in 2019 to address the growing refugee crisis by supporting long-term development and service delivery for refugees and host communities in Kenya, Uganda, Ethiopia, Egypt, Jordan, Lebanon, Iraq, and Sudan.

Refugee Lens Investing Landscape in Jordan

This research builds upon and complements The Refugee Investment Network (RIN)'s national-level. (RLI) market survey in Jordan⁸, completed in 2022 with the support of the Japanese International Cooperation Agency (JICA). The analysis is also informed by RIN's broad experience in private sector engagement and investment for host and refugee employment and self reliance globally.

RIN's 2022 study in Jordan uncovered a significant number of RLI opportunities at the enterprise and fund level, consisting of both existing enterprises and funds and suggestions for new mechanisms. A common piece of feedback from all participants was that the available financing options in Jordan are limited and expensive, which hinders business growth and economic activity. Specifically, 40 RLI opportunities at the enterprise level were identified, with common financing needs ranging from \$100,000 to \$1,000,000, with a mixture of grants, soft loans, debt, and equity investment required. One such refugee-employing company, Orbit Aluminum Industries, was originally operating from Syria by running two factories and, following the crisis, moved its export-related production lines to Aqaba, Jordan. Orbit not only provided jobs to refugees but also set a precedent to open bank accounts for their refugee employees and needed capital to expand with additional production lines.

A key recommendation from RIN's 2022 study was to deploy catalytic capital to RLI funds, including those that go beyond traditional venture capital with innovative tools

such as outcome-based finance. RIN concluded that funds developed locally could address this "missing middle" layer of investment capital. The study also found several existing funds that were intentionally or unintentionally applying the Lens and would benefit from RLI technical assistance. One example was Alfanar, a platform for strategic venture philanthropy that helps early-to-growth stage social enterprises, including those serving refugees, develop sustainable revenue streams to break the cycle of donor dependency. In addition, RIN found that development finance institutions could play a critical role by responding more rapidly, through blended finance mechanisms, to help catalyze momentum in RLI, in coordination with donors. Findings further concluded that the development and investor ecosystems in Jordan can do a better job of conveying the "Jordan story" to impact investors interested in a refugee lens, a Sustainable Development Goal (SDG) lens, and a gender lens given that female refugees are disproportionately impacted.⁹ For example, there is a gender disparity in employment among Syrian refugees in Jordan, with 55 percent of male respondents employed compared to just 7 percent of women.¹⁰

Additional recommendations from the 2022 study that continue to be valid today, include: supporting initiatives that increase access to finance in Jordan and incorporating RLI into their strategies; assisting microfinance Institutions in developing RLI instruments and tools to better serve refugee customers, including credit risk assessments and

8 RIN "Responding to Barriers Through Refugee Lens Investing: Jordan Study." 2022. <https://refugeeinvestments.org/resources/responding-to-barriers-through-refugee-lens-investing-jordan-study/>

9 Wilson Center. "Forced Displacement in MENA and its Gendered Impacts." June 2024. <https://www.wilsoncenter.org/event/forced-displacement-mena-and-its-gendered-impacts>

10 UNHCR "2024 VAF Socio-Economic Survey on Refugees in Host Communities." June 3, 2024.

digital identity solutions; exploring options such as banking innovations for refugees and stock exchange pathways for refugee-lens enterprises. Tapping into the potential of RLI in Jordan also necessitates supporting the government of Jordan's efforts to reduce ambiguity and barriers to

employment and entrepreneurship for refugees, along with skills development programs that align with the job market available to refugees.

The Jordan Compact

Introduced in 2016, the Jordan Compact aimed to enhance the economic resilience of Jordan through various measures, including facilitating access to the European Union (EU) market under relaxed Rules of Origin for products manufactured in Jordan. This initiative was designed to encourage investment and create job opportunities, particularly for Syrian refugees, by allowing goods produced in 18 designated industrial zones and employing 15 percent of Syrian labor to qualify for preferential tariffs. The effectiveness of the compact has been mixed. While there was an initial increase in Jordan's exports to the EU after the signing of the Compact, the stringent requirements for Syrian labor quotas and the complexity of compliance limited widespread adoption. Fewer than 20 enterprises benefited from the Compact, typically large businesses, while the small, local enterprises couldn't take advantage of the scheme. Additionally, bureaucratic hurdles and inadequate infrastructure have impeded the full realization of its potential benefits. Overall, while the Jordan Compact has provided a framework for economic growth and refugee integration, its impact has been constrained by implementation challenges and the need for better alignment with local needs.¹¹

¹¹ More information: UNDP. Feasibility Study for Türkiye Compact 2022; CGD. "The Jordan Compact Three Years On, Where Do We Stand?" 2019; ODI "The Jordan Compact Lessons Learnt and Implications for Future Refugee Compacts." 2018.

The Socio-Economic and Policy Context in Mafrq

The Mafrq governorate in northeast Jordan sits at a crossroads between the capital, Amman, the Syrian border to the north, and the Iraqi frontier to the east. It is thus considered an important transit point given its location and linkages to other governorates and neighboring countries. The region has been the focus of industrial development efforts by the Jordanian government.

This includes the establishment of special economic zones and industrial estates aimed at boosting manufacturing and exports. It is home to the King Hussein Bin Talal Development Zone (KHBTZ), one of five development zones across the country that aim to attract investment in manufacturing, logistics, and infrastructure. With the plans to turn the adjacent King Hussein Air Base into a mixed-use airport, the site holds the promise to increase its importance as a regional transportation hub. In the country's official Economic Modernization Vision, establishing a logistics center for storage, distribution, and classification in the KHBTZ is identified as an investment opportunity.¹² KHBTZ has already attracted 47 factories with investments worth 270 million Jordanian dinars (\$380 million), creating over 1,000 jobs, over 50 percent of which benefit Mafrq residents.¹³ Key sectors include renewable energy, logistics, light chemicals, pharmaceuticals, and food and beverages.¹⁴ Businesses in Mafrq make up 12 percent of the total economic activity in the North, and nearly 3 percent country-wide. Among these enterprises, 55 percent operate

in the metals industry; 17 percent in leather and textiles; 8 percent in extraction; and 8 percent in food, agriculture, and livestock industries.¹⁵ Indeed, the Mafrq governorate is an important agricultural region, supplying various crops – most notably summer vegetables, fruits, and olives – to local, national, and export markets.

The Mafrq governorate is also home to the Za'atari Refugee Camp which grew rapidly in the early years of the Syrian Civil War (beginning in 2011), evolving from a haphazard refugee settlement near the Syrian border, into the world's largest camp for displaced Syrians. Located 10 kilometers east of the city of Mafrq and adjacent to Za'atari Village, Za'atari camp is home to 78,000 Syrian refugees (as of February 2024), with another 85,000 refugees and asylum seekers (98.6 percent Syrians) registered with UNHCR in Mafrq town, outside of the camp. Within the camp, the Za'atari market street features approximately 1,000 informal shops operated by refugees, offering diverse services, including restaurants, boutiques, electronics stores, and food shops, which serve as a critical source of income for residents but face challenges such as intense price competition, declining customer spending power, and limited access to capital.¹⁶ Overall, 25 percent of refugees in Za'atari are employed, a decline of three percentage points since 2021.¹⁷ Notably, 85 percent of refugees in Za'atari state that they are willing to work but can't find jobs, or are unable to work due to family obligations.¹⁸

¹² Jordan Ministry of Planning. "Economic Modernization Vision (2023–2025)." [https://www.mop.gov.jo/ebv4.0/root/storage/en/eb_list_page/the_executive_program_for_the_economic_modernisation_vision_\(2023-2025\).pdf](https://www.mop.gov.jo/ebv4.0/root/storage/en/eb_list_page/the_executive_program_for_the_economic_modernisation_vision_(2023-2025).pdf)

¹³ The Jordan Times. "King Visits King Hussein Bin Talal Development Area." March 10, 2020. <https://jordantimes.com/news/local/king-visits-king-hussein-bin-talal-development-area>

¹⁴ KHBTZ <https://www.kinghusseinzone.com/key-sectors>

¹⁵ International Labor Organization. Local Economic Development Strategy, Mafrq Governorate. <https://www.ilo.org/publications/local-economic-development-strategy-mafrq-governorate-2076-2078>

¹⁶ UNHCR la'atari Camp Factsheet. January 2024. www.unhcr.org/jo

¹⁷ UNHCR Vulnerability Assessment Framework: Socio-Economic Survey of Refugees in Camps – Jordan, June 2024

<https://reliefweb.int/report/jordan/vulnerability-assessment-framework-socio-economic-survey-refugees-camps-jordan-june-2024-0>

¹⁸ UNHCR "Socio-economic Situation of Refugees in Jordan Q4 2023" <https://reliefweb.int/report/jordan/unhcr-socio-economic-situation-refugees-jordan-q4-2023>

Although there are formal restrictions on the movement of camp residents, its proximity to Za'atari village and Mafrq town leads to regular commerce and exchange with the surrounding municipalities which includes trade, employment, and the provision of services. Refugees in Za'atari who obtain work permits receive a one-month leave authorization and can leave the camp for up to a month before they need to return and report back to the camp. This allows them to exit the camp and gain outside employment, which in turn creates an important income stream for the camp's economy. However, only 10 percent of refugees in Za'atari hold work permits.¹⁹ The termination of the waiver on work permit fees poses a new challenge to obtaining them.²⁰ The majority of the work permits for Za'atari residents (as of January 2023) had been issued in the agricultural sector for farm laborers and tree and shrub crop growers (63 percent), followed by machine operators and assemblers (14 percent) and builders (10 percent).²¹ Similarly, the Syrian workforce in the Mafrq governorate is concentrated in crafts and trade; agricultural and construction sectors; and commercial services, including restaurants, cafes, grocery stores, bakeries, car washes, mechanics, and clothing stores.²²

While the influx of Syrians into Mafrq governorate has created some challenges and economic competition with the host community, "the presence of Syrian refugees revived the commercial traffic in the northern governorates of Irbid and Mafrq...and the competition in the local market also raised the standards of commercial and industrial

sectors," according to Arab Reporters for Investigative Journalism.²³ Indeed, one can imagine how well-placed catalytic investment could help spur growth in Mafrq's increasingly competitive and dynamic business environment to benefit all.

Jordan is one of the most water-scarce countries in the world and climate change poses a particular challenge in Mafrq. Overall, with almost 40 percent of refugees vulnerable to climate shocks in Jordan, "governorates such as Ajloun, Mafrq, and Jerash face the highest vulnerability due to significant exposure to climatic challenges at the household level," according to UNHCR.²⁴ Moreover, UNHCR has found that "refugee families living in camps are more likely to be vulnerable to the effects of climate change than refugees outside of camps, as their living conditions are less robust against the effects of rain, flooding, and extreme heat."²⁵ As a mitigation strategy, solar and wind energy projects in Mafrq align with Jordan's strategy to increase its share of renewable energy sources and create new employment opportunities. Mafrq's emergent solar energy projects have created a labor market niche for Syrian refugees who are filling a shortfall of qualified local renewable energy technicians.²⁶ In this regard, Development Finance Institutions (DFIs) that provide financing for solar plants in the governorate, such as IFC and EBRD, have a unique opportunity to support local and inclusive job creation with these investments.

19 UNHCR la'atari Camp Factsheet. January 2024 www.unhcr.org/jo

20 As of July 1, 2024, the government's waiver on work permit fees has ended and has not been extended. As a result, refugees are now required to pay 420 Jordanian dinars (\$591.9) for the issuance or renewal of a work permit (annually), compared to the previous fee of 10 Jordanian dinars (\$14). Additionally, they must pay 85 Jordanian dinars (\$119.8) for the medical test required to obtain a work permit, which was previously provided for free.

21 UNHCR la'atari Office Employment Report. January 2023 <https://data.unhcr.org/en/documents/details/102841>

22 International Labor Organization. Local Economic Development Strategy, Mafrq Governorate. <https://www.ilo.org/publications/local-economic-development-strategy-mafrq-governorate-2016-2018>

23 Arij. "Syrian Refugees in Jordan: Economic Risks and Opportunities." January 26, 2014 <https://en.arij.net/investigation/syrian-refugees-in-jordan-economic-risks-and-opportunities/ttgsctab=>

24 UNHCR. "2024 VAF Socio-Economic Survey on Refugees in Host Communities." June 3, 2024

25 UNHCR. "Socio-economic Situation of Refugees in Jordan Q4 2023" <https://reliefweb.int/report/jordan/unhcr-socio-economic-situation-refugees-jordan-q4-2023>

26 Tufts University. "Refugees and the City: How Migration Facilitated Mafrq, Jordan's Green Transition." June 8, 2023 <https://sites.tufts.edu/praxis/2023/06/08/refugees-and-the-city-how-migration-facilitated-mafrq-jordans-green-transition/>

Local Development Needs In Mafrq

The Sustainable Local Development Index 2023 report,²⁷ published by the think tank Jordan Strategy Forum, assesses the development levels of Jordanian governorates across five pillars: economic activities, education, health, infrastructure, and social status. The report reveals disparities in development among the governorates - with Amman ranking highest and Mafrq lowest - with infrastructure showing the greatest disparity. To address the gaps, the report suggests enhancing decentralization, increasing financial allocations, improving infrastructure, and expanding social protection coverage, particularly in commercial and agricultural sectors.

Indeed, with a score of 24.8 points out of 100, Mafrq overall ranks last among the 12 governorates in terms of development. Mafrq shows a weak performance in the economic activities pillar, with low scores in the percentage of socially insured individuals and the ratio of self-employed income to total income. The ratio of economic establishments in the governorate to the total establishments of the country is 2.5 percent (compared to 60.5 percent in Amman and 10.2 percent in Irbid.) The governorate's performance in education is the weakest among all governorates, with high illiteracy rates and a high percentage of rented school buildings relative to total schools, while it shows a moderate performance in the health pillar. Mafrq's infrastructure is rated poorly, with low scores in access to the public sewage network and water supply for domestic purposes, along with challenges in well-being and poverty levels.

²⁷ Jordan Strategy Forum, The Sustainable Local Development Index, November 2023
<https://www.jsf.org/uploads/Sustainable%20Local%20Development%20Index%202022wdf>

Refugee Lens Investing Pipeline for Mafrq

The potential for RLI to create inclusive local economic development, employment, and financing for the refugee and host community in Mafrq is manifold and includes:

1. Small, medium, and large-sized businesses that are based in Mafrq and can employ and source from the local communities;
2. Impact-focused enterprises whose products, services, and business models can address the local development needs in Mafrq, and;
3. Funds that can provide financing to these enterprises and microfinance institutions.

The section below provides an indicative list (i.e., not comprehensive) of high potential RLI enterprises (in and outside of Mafrq) and funds for further research and due diligence and forms a solid basis from which stakeholders can expand and grow an investment pipeline. Moreover, private sector companies with potential refugee impact are not limited to these.

Additional sources of companies in Jordan with potential RLI applications include the over 40 refugee-lens enterprises identified during RIN's prior research (2022) and dozens of others identified by the World Bank's PS4R

initiative (2021)²⁸ and Building Markets "Private Sector in Jordan" directory (2019).²⁹

Furthermore, IFC's various programs in the region, most notably the Start Mashreq program, which was "founded to create economic opportunities and facilitate growth across Mashreq, in Lebanon, Jordan, and Iraq; with a dedicated focus towards the underprivileged and mostly marginalized groups,"³⁰ is yet another source of enterprises for potential investment in Mafrq.

For example, The World Bank has found: 'VC-backed firms such as Altibbi and Little Thinking Minds - all long-standing members of Jordan's startup ecosystem - have various products and engagements with refugees in the country. Luminus Education, which runs a wide range of technical and vocational education programs, also launched an incubator to support companies serving refugees, and refugee-employing businesses, e.g., Sigma Detergents, a detergent manufacturing company owned by a Syrian national, had a workforce composed of roughly 25 percent of refugees from Syria as of 2019.'³¹

²⁸ The World Bank. RIMP Progress Report December 2020. <https://pubdocs.worldbank.org/en/461831611859581388/RIMP-Progress-Report-2078-2020-and-Results-as-of-Dec-31st-2020.pdf>

²⁹ Building Markets. A Snapshot of Jordan's Private Sector. 2019 <https://mcas-proxyweb.mcas.ms/certificate-checker?login=false&...originalUri=https%3A%2F%2Fwww.bui-lidingmarkets.org.mcas.ms%2Freports%2Fcompany-guide-a-snapshot-oHordans-investment-and-market-opportunities%3FMcasTsid%3D20893&...McasCSRF=63a956e153a3044407aa4628be629f-693ce736fbdgeaza3zzdee3ao5afcd b92e> Building Markets also offers a searchable business directory <https://buildingmarkets.org/listings/>

³⁰ Start Mashreq Program. <https://www.startmashreq.com/en/>

³¹ The World Bank. PS4R Refugee-Related Investment: Myth of Reality, September 2023 <https://thedocs.worldbank.org/en/doc/of3enaao77792e24d18959a560d352-0570022023/refugee-related-investment>

1 Business in Mafrq

The research presented in this report concentrates on identifying and analyzing businesses that possess a significant presence, operations, or, in select cases, expressed interest in RLI in the Mafrq region. The relevant companies identified are listed below with basic information, based on company websites and marketing materials, and potential RLI impact.³² While the primary focus has been businesses located in Mafrq, select enterprises that are located in nearby locations (such as Irbid) are also included in the table below as they also present a strong opportunity for hiring Syrians and Jordanians from Mafrq.

Refugee-owned and managed enterprises (RLI, R1/R2 categories) are limited in this sample pipeline as the research

has focused on medium-to-large enterprises with higher potential for job creation at scale. Indeed, research shows that inside and outside of Za'atari, Syrians have largely opened micro-businesses in Mafrq town, focused on food and other services, which provide important self-employment and local economic contributions but present limited investment and employment potential. "In Mafrq, [Syrian refugee entrepreneurs] tend to lean more toward traditional work like making homemade food/dried produce or tailoring clothes...their businesses are more limited relative to Amman," according to the American University of Beirut.³³

Note: The interviewed businesses, as identified in footnotes, have validated their data for inclusion in the report.

³² The Refugee Lens designations throughout the report are preliminary based on potential impact and may change with additional information. The company and fund descriptions are based on desk research and available marketing materials. RIN does not provide investment advice or recommendations, and no part of its services should be relied on as such. Neither RIN nor its personnel are registered as investment advisers or broker-dealers with the U.S. Securities and Exchange Commission or any other federal or state regulatory authority or self-regulatory authority that would allow it to provide investment advice or securities services. Under all conditions, investment decisions should be made after performing your own research, analysis, and due diligence.

³³ AUB. "Shadows to Light: Syrian Refugee Entrepreneurs in Jordan's Informal Economy." January 2020. <https://www.aub.edu.lb/ifi/Documents/publications/research-reports/2019-2020120200275-shadows-to-light-syrian-refugee-entrepreneurs-in-jordan.pdf>

Al Durra has been located in Irbid's Al-Hassan Industrial Estate since 2071 and is a Syrian family owned manufacturing business spanning four generations. It delivers high-quality foods. The Al Durra factory in Jordan occupies 15,000 square meters and includes a laboratory fully equipped with the latest technology to meet international food standards as a major exporter.³⁴

Al-Jazeera Poultry founded in 2007 in Al Mafrq - Jordan, is a fully integrated poultry processing company engaged in the production, processing, marketing, and distribution of fresh and frozen chicken. Research indicates past refugee engagement.³⁵

Al Mueen is a women-owned, refugee-employing business that produces hygiene paper tissues, disinfectant wipes, and cleaner wipes for commercial and household purposes. Located in the KHBTDZ. Research indicates past refugee engagement.³⁶

Arabella Extrusion specializes in aluminum extrusion, fabrication, decoration, and surface treatment and coating. Located at KHBTDZ. Research indicates past refugee engagement.³⁷

Banyan Extrusion & Coating Aluminum Co is a family-owned business founded in 1962, modernizing the aluminum fabrication industry and producing aluminum windows, doors, kitchen equipment, and cabinets. Research indicates past refugee engagement.³⁸

Century Textile and Straight Line Textile factories are located in the Al-Hassan Industrial Estate in Irbid. Research indicates past refugee engagement (specipally Syrian women from Za'atari.)³⁹

Classic Fashion Apparel Industry is the largest textile company in Jordan and the Middle East. Its subsidiary, BIA Textile Company, an investment valued at \$149 million, recently went into operation at the KHBTDZ. Research indicates past refugee engagement.⁴⁰

34 As a "Challenge Fund for Youth Employment" selection, Al Durra aims to enhance "youth and women employment [including refugees] in the agricultural and manufacturing sector in the four target areas of Irbid, Ramtha, Mafrq, and Jordan Valley."
<https://fundforyouthemploymentn/jordan-selection-al-durra-intemational-for-food-products/>

35 Finn Church Aid. The Plight of the Labor Market in the la'atari and Azraq Refugee Camps in Jordan April 21, 2079
<https://reliefweb.int/report/jordan/plight-labour-market-zaatari-and-azraq-refugee-camps-jordan>

36 RIN Interview May 2024 RIN. "Responding to Barriers through Refugee Lens Investing Jordan Study." 2022. https://refugeeinvestments.org/wp-content/uploads/2022/12/RIN_Jordan_WhitePaper_Final_Dec22.pdf

37 Khawaja Aftab Ahmed, IFC Regional Director, Middle East, Pakistan and Afghanistan. LinkedIn. "Jordan's Refugees A Force of Entrepreneurship."
May 11, 2023 <https://www.linkedin.com/pulse/jordans-refugees-force-entrepreneurship-khawaja-aftab-ahmed/>

38 Building Markets Business Directory. <https://connectbuildingmarkets.org/listings/bonyan/>

39 Finn Church Aid. The Plight of the Labor Market in the la'atari and Azraq Refugee Camps in Jordan April 21, 2079 <https://reliefweb.int/report/jordan/plight-labour-market-zaatari-and-azraq-refugee-camps-jordan>

40 The World Bank. PS4R <https://thedocs.worldbank.org/en/doc/5cf1fea43fd8fgdggcgdaie67f8faz-055007-2023/related/ps4,-case-study-jordan.pdf>

<p>Integrated Resources for Plastics Industries is a leading company in the field of water puripcation providing customers with solutions for water filter replacement cartridges. Research indicates past refugee engagement.⁴¹</p>
<p>Giant Industrial Group established in 1991, specializes in producing home, personal care, and cloth care products. Research indicates past refugee engagement through the company's value chain.⁴²</p>
<p>Jordan Bahrain Paper Industries (Joba Pack), located at KHBTZ, specializes in the production of printed and non-printed corrugated boxes and sheets for its clients in Jordan and surrounding countries. Research indicates past refugee engagement.⁴³</p>
<p>Paliria Jordan is part of a corporation with operations in over 60 countries. It occupies a leading position in the production of dolma and ready meals and is constantly growing and focusing on providing the highest quality in its products of ready-to-eat foods. In Mafrq, with a mainly female workforce,⁴⁴ the company's exports make up more than go percent of revenues. Research indicates past refugee engagement.</p>
<p>Petra Engineering was founded in 1987 with a broad vision to produce a wide variety of Heating, Ventilation, and Air Conditioning (HVAC) equipment that meets a diversity of application requirements catering to the worldwide market. Petra's products enabled it to enter the US market and expand its production to Mafrq with a 200,000-square-meter facility. Research indicates past refugee engagement.⁴⁵</p>
<p>Smart Lines is a Syrian-owned cleaning products manufacturer, established in the KHBTZ in Mafrq in late 2022.⁴⁶</p>
<p>Souhoul Al Ola specializes in growing vegetables and fruits; marketing agricultural production; trading agricultural supplies and seeds; import-export; packing and packaging vegetables and fruit; and agricultural education and training. Research indicates past refugee engagement.⁴⁷</p>

⁴¹ Building Markets Business Directory. <https://connectbuildingmarkets.org/listings/integratedresources/>

⁴² RIN Interview May 2024.

⁴³ Khawaja Aftab Ahmed, IFC Regional Director, Middle East, Pakistan and Afghanistan. LinkedIn. "Jordan's Refugees: A Force of Entrepreneurship." May 11, 2023 <https://www.linkedin.com/pulse/jordans-refugees-force-entrepreneurship-khawaja-aftab-ahmed/>

⁴⁴ Khawaja Aftab Ahmed, IFC Regional Director, Middle East, Pakistan and Afghanistan. LinkedIn. "Jordan's Refugees: A Force of Entrepreneurship." May 11, 2023 <https://www.linkedin.com/pulse/jordans-refugees-force-entrepreneurship-khawaja-aftab-ahmed/>

⁴⁵ The World Bank. RIMP Progress Report December 2020. <https://pubdocs.worldbank.org/en/461831611859587388/RIMP-Progress-Report-2018-2020-and-Results-as-of-Dec-31st-2020.pdf>

⁴⁶ RIN interview June 2024.

⁴⁷ RIN interview June 2024.

Spotlight on Refugee-Lens Business in Mafraq

Smart Lines

Smart Lines is a cleaning products manufacturer, established in the King Hussein bin Talal Development Zone (KHBTDDZ) in Mafraq in late 2022. The company is owned by a Syrian family who is in the process of acquiring Jordanian citizenship as an investor. They purchase their raw materials (chemicals) from Saudi Arabia, through their family business there; formulate, mix, and package in Mafraq; and then export to Saudi Arabia and Gulf countries. They have not tried to sell to the EU yet and find the regulations difficult and expensive to navigate. They also do not sell in the local, Jordanian market. They currently employ around 15 Jordanians, who work on packaging, mixing, and sorting, along with a Jordanian engineer as supervisor. The overall operations are managed by a Syrian-German engineer. They are pleased with their experience at KHBTDDZ and will be expanding with additional space for production and warehousing. As they grow, they are looking to hire Syrians as well, some with skills as electricians, forklift operators, and possibly administrative assistants. They have been financed internally through operations and family and are not actively looking for external capital.

Paliria Jordan

Paliria Jordan is a branch of the Greek multinational company Paliria Group, has been operating in Jordan since 2018. The company is known for producing and distributing ready-to-eat meals, with a particular focus on Mediterranean cuisine, including the famous dolmas (stuffed grape leaves). Paliria Jordan has made significant contributions to the local economy, providing employment opportunities, and boosting economic growth. In recognition of their efforts, Paliria Jordan was awarded the Silver Jubilee Medal by His Majesty King Abdullah II on April 16th, 2023.

2 Impact Enterprises and Startups Supporting Mafraq

Impact enterprises and innovative startups that are not Mafraq-based can also play a crucial role in the pursuit of sustainable and inclusive local development in Mafraq, particularly in areas such as financial inclusion, energy management, and agricultural innovation. The following are enterprises that can be explored for investment that would have a positive impact on refugees and host communities alike in Mafraq.

In addition, creative sector social enterprises with access to international markets, such as Sitti Soap, SEP Jordan, and Sharqi Shop (a Syrian-led e-commerce startup designed to

support Jordanian and Syrian artisans, which was part of Oasis500, a pre-seed and seed investment company, and received an investment from Beyond Capital) can potentially include refugee artisans in and around Za'atari Camp in their operations. Initiatives such as UNHCR's "Made in Za'atari," for refugee entrepreneurs who produce handicrafts, soaps, perfume, and more, can benefit from private sector collaborations for market access.

Sector	Company
Sanitation/Waste Management Worked in Za'atari through an NGO partnership	Akyas Sanitation provides affordable, accessible, and rapidly deployable sanitation solutions for humanitarian and development settings. Its solutions are designed to advance global Sustainable Development Goals, particularly SDG 6: Clean Water and Sanitation, among others, addressing the critical sanitation value chain.
Financial Inclusion Includes refugee clients and agents in Mafraq	Dinarak a mobile wallet service provider, facilitates financial transactions in Jordan. It enables money transfers, bill payments, and entitlements for both bank and non-bank citizens, enhancing financial accessibility and convenience. Dinarak is a startup selected to participate in IFC's Start Mashreq program.
Sustainability Access to affordable clothing for low-income communities including refugees	Fabric Aid established in 2017, is a social enterprise dedicated to fostering a sustainable and socially conscious apparel industry. It achieves this by optimizing the collection, sorting, upcycling, and resale of second-hand clothes through partnerships with socially conscious and sustainable brands. The company started in Lebanon, expanded to Jordan, and has plans for Egypt.
AgriTech/Water Management Piloted vertical farm installation in Mafraq	iPlant established in 2021, is an agritech startup at the forefront of sustainable food production, leveraging vertical farming and hydroponics to address future food security challenges, especially in the Middle East and North Africa region where water scarcity is a significant issue.
Vocational training Track record of training partnerships at Za'atari	Jadara Electronics since 2006, has been a leading provider of applied engineering and vocational products and services, including training, consultation, and maintenance. The company distinguishes itself by offering tailored solutions for universities and vocational schools, recommending equipment, and designing complete lab layouts that align with their curricula and training needs. Jadara is headquartered in Amman, with facilities in the King Abdullah II Industrial City in Sahab.
Energy Management Served Za'atari workshops and Syrian households in Mafraq	NeuroTech is committed to transforming the energy management industry with innovative and sustainable solutions. The company offers a suite of services, including energy auditing, efficiency optimization, renewable energy integration, and smart grid solutions
Sanitation/Waste Management Potential contributions to Mafraq and Za'atari	SolVillion founded in 2019, offers innovative solutions for septic tank problems through its Decentralized Wastewater Treatment System. This locally manufactured system is designed for both above-ground and underground installation, treating wastewater for reuse in gardening and farming. It is safe, cost-effective, environmentally friendly, and odorless, addressing a critical need for sustainable wastewater management.

A Business Model for Impact: Women's Cooperatives

Women's cooperatives in Mafrq play a vital role in the region's socio-economic development, particularly due to the region's agricultural focus. These cooperatives work with small-scale farmers to market their goods and create services that attract visitors to the area. A notable example is the Umm el-jimal Women's Cooperative Society (UIWCS), founded in 2010, which empowers women and fosters local development by promoting cultural heritage through handicraft production, food and hospitality services, community tour guiding, and site preservation. Other programs such as USAID's IOLAA and ACTED support cooperatives and micro businesses in Mafrq, offering innovative practices, business development support, and microloans. These initiatives have significantly improved livelihood opportunities and resilience for vulnerable Jordanian and Syrian refugee farmers, demonstrating the crucial impact of women's cooperatives in the region and their potential as an impact investment.

3 Funds and Microfinance Institutions

Funds that provide financing to micro, small, and medium enterprises, microfinance institutions, and impact funds in Jordan have the potential to increase the number of Mafrq-based and Mafrq supporting enterprises in their portfolios. Each fund highlighted below can play a distinct role in fostering regional development as well as targeting the refugee community's economic integration. Taking into consideration the preference for Islamic financing among some refugees and Jordanians alike will be important for these funds. For additional funds with RLI potential, please refer to R/N's 2022 Jordan market assessment.

<p>National Private Equity Strategy in alignment with export-oriented businesses in Mafraq</p>	<p>Jordan Capital and Investment Fund (JCIF), Jordan's largest private sector investment fund, invests in promising Jordanian companies that have opportunities for growth and expansion, by providing fresh capital to support a transformational leap in their development. JCIF was officially launched in 2022 with a committed capital of 275 million Jordanian dinars (\$388 million) via two investment vehicles owned by 16 Jordanian commercial and Islamic banks and is managed by the Jordan Capital and Investment Fund Management Company. JCIF's investment strategy is derived from the Fund's mandate to invest in Jordanian companies that can create employment opportunities with substantial export potential which ultimately impact the Kingdom's economic development. JCIF aims to diversify its investment portfolio to cover the largest possible number of sectors spanning multiple areas with real competitive advantages with a focus on key investment themes. Most notable are companies operating in the fields of food & agriculture, healthcare & pharmaceuticals, knowledge economy, and general manufacturing. https://www.jcif.jo/</p>
<p>National Microfinance Serving refugees, including in Mafraq</p>	<p>The Microfund for Women (MFW) represents a financing source for Syrian refugees, employing a solidarity model particularly focused on women borrowers (95 percent of MFW's borrowers and 78 percent of their employees are women). Observing high repayment performance among Syrian beneficiaries,⁴⁸ MFW offers loans up to 1,500 Jordanian dinars (\$2114) with terms up to 26 months, at a monthly interest rate of 1.5 percent. One of the first financial institutions to work with refugees, MFW has simplified the lending process for refugees by relaxing document requirements and adjusting timelines. In addition, MFW has actively pushed for regulatory changes to better support refugees and has championed the inclusion of refugees in e wallet services, allowing them to receive loans and manage finances electronically. MFW continues to secure loans from various banks locally and regionally to bolster its financial capabilities. They received a loan from the EBRO specifically earmarked for disbursement to Syrian clients. Additionally, their partnership with Kiva, a non-profit that distributes funds that it receives to microfinance institutions, requires that 60 percent of the funds disbursed are allocated to Syrian beneficiaries, ensuring targeted financial support. To mitigate financial risks and guarantee coverage for loans provided to Syrian clients, MFW partners with financial institutions like the EBRO and EIB. MFW wishes to expand this model to include larger loan products that can also cater to microentrepreneurs, including men, thereby broadening its impact and support within the refugee community. https://www.microfund.org.jo/en/</p>

⁴⁸ Ensuring proper due diligence of the borrowers' ability to repay a loan, and the feasibility of their proposed projects, is essential for MFW and other microfinance organizations in order to avoid putting vulnerable communities at financial and legal risk. This was a concern raised by key informants during this research and should be taken into consideration and mitigated through robust due diligence of any microfinance programs targeting refugees.

<p>Regional</p> <p>Debt and Equity to Monetary Financial Institutions / Banks</p> <p>Portfolio institutions serving refugees</p>	<p>SANAD Fund for MSMEs provides debt and equity finance, along with technical assistance, to partner financial institutions to support growth and employment in the MSME sector across the Middle East, North, and Sub Saharan Africa. The fund's outstanding investment portfolio has reached \$416 million by the end of 2023 (15 percent in Jordan) and supported over 383,000 jobs in the Middle East and North Africa since its inception in 2011 through investments in 43 active partner institutions (including Microfund for Women and Bank Al Etihad, among others in Jordan). An impact investment fund advised by Finance in Motion. SANAD's investors include the KfW Development Bank, which initiated the fund; the German Federal Ministry for Economic Cooperation and Development (BMZ); the European Union; Switzerland's State Secretariat for Economic Affairs (SECO); OeEB, the Development Bank of Austria; Germany's GLS Bank and GLS Treuhand; the Dutch development bank FMO; and Calvert Impact Capital.https://sanad.lu/</p>
<p>Regional</p> <p>Debt and equity to for-profit impact enterprises</p> <p>SDG-impact strategy focused on marginalized communities.</p>	<p>The Anara Impact Investment Fund aims to merge wealth generation with significant contributions to economic development in the Middle East & North Africa region. With strategies aligned with the UN Sustainable Development Goals, Anara Impact Capital emphasizes reducing inequalities, enhancing education, promoting economic mobility, and fostering access to essential products and services for marginalized individuals.</p> <p>The fund is supported by Alfano Venture Philanthropy, the first venture philanthropy organization in the Arab region and an RLI fund highlighted in RIN's 2022 Jordan study, enhancing its network and impact potential.⁴⁹</p> <p>https://www.alfano.org/impact-fund https://anaraimpact.com/</p>
<p>Regional</p> <p>Impact-linked, concessional loans</p> <p>RLI fund. Strategy is aligned with enterprises operating in or potentially serving Mafrq.</p>	<p>The Refugee Investment Facility (RIF) seeks to address the challenges of unemployment, lack of economic opportunity, and limited access to services and goods that are faced by refugees and their host communities. The impact linked loans provided through the RIF will allow enterprises to maintain or build their focus on refugee and host community populations, grow their businesses, and be financially rewarded through interest rate reductions for the direct and measurable impacts they have on the refugee and host communities they are serving. The RIF is implemented through a partnership between iGravity, which specializes in impact investment and innovative finance solutions, and the Danish Refugee Council. Funded by a mix of grants and investments, the RIF offers patient investments of up to five years to local companies and start-ups, selected based on their potential to positively impact refugees and host communities. The fund has launched in Jordan and Uganda, two countries with significant long-term refugee populations, established DRC programming, and a demonstrated need for RIF's approach.</p> <p>https://www.refugeeinvestmentfacility.net/</p>

49 RIN, "Responding to Barriers through Refugee Lens Investing: Jordan Study," 2022, p10 RLI Fund Profile. https://refugeeinvestments.org/wp-content/uploads/2022/12/RIN_Jordan_WhitePaper_Final_Deen.pdf

Recommendations

To unlock the full potential of Mafrq's local development and recent economic dynamism, it is imperative to strategically engage with the ecosystem's actors, leverage available funds, and seize economic opportunities for investment promotion and collaboration. By addressing the unique challenges and capitalizing on the strengths of the region, Mafrq can be a beacon for sustainable growth and job creation for all. Mafrq has all the elements to become a model, place-based impact investment location.⁵⁰ The following recommendations are designed to harness the area's potential, fostering an environment that is conducive to business success and community resilience, while supporting job creation for refugees and Jordanians. A good first step in implementing these recommendations would be a regional investors' conference in Mafrq highlighting investment opportunities.

Attracting Investment and Increasing Access to Finance

- 1. Develop an RLI Fund:** Establish a dedicated RLI fund to support refugee lens businesses, including host community enterprises, and contribute to local economic development in Mafrq as a first pilot. Explore opportunities with the Jordan Capital and Investment Fund (JCIF) given sectoral alignment with Mafrq; the U.S. International Development Finance Corporation's interest in RLI; and EBRD's advisory services for small and medium enterprises (SMEs) in Jordan, including Syrian-owned businesses. Access to finance remains a significant hurdle for such businesses in Mafrq, with bank loans being prohibitively expensive. A blended financing structure that combines concessional capital and guarantees can attract banks and other investors to Mafrq.
- 2. Promote Impact Investing:** Attract Jordan's growing impact investing ecosystem to opportunities that align with the development goals of Mafrq, in partnership with impact funds, DFIs, development donors, and local philanthropies such as the Crown Prince Foundation. Adopt a "place-based investing" approach to consider the comprehensive local development needs of Mafrq and deploy impact capital to address them. This could include a strategic approach to leverage impact capital for targeted venture creation in priority sectors, in partnership with experienced accelerators such as Jordan Start (which already has several early stage start-ups from Mafrq in its portfolio), Oasis500, Beyond Capital, and Flat6Labs, among others. For instance, the sectors highlighted by the UN Development Program's SDG Investor Map include those that are highly relevant for investment in Mafrq, e.g., cold storage and alternative energy sources.⁵¹ This approach would also include

⁵⁰ Place-based investing is a collaborative approach focused on addressing social challenges and sustainable development needs in select communities.

More information: <https://www.impactinvestor.org.uk/learning-hub/place-based-impact-investing/what-is-place-based-impact-investing/>

⁵¹ UNDP SDG Investor Platform Jordan <https://sdginvestorplatform.undp.org/country/jordammportunities>

alignment between existing enterprises and capital. For example, women's cooperatives can be supported through a Mafraq-focused impact investing fund, while medium-to-large sized enterprises in priority sectors for the governorate would have access to debt and equity financing. Using storytelling to communicate the successes of local businesses and RLI can further inspire investor confidence and capital inflows.

3. Promote Mafraq and KHBTDZ: In collaboration with local stakeholders such as the Mafraq Chamber of Commerce and Mafraq Development Corporation (the developer of KHBTDZ), establish a website dedicated to featuring investment opportunities in Mafraq, a business directory for local procurement, entrepreneurial success stories, and workforce highlights. A current governmental initiative "satellite branches" – aims to boost investment and employment in governorates such as Mafraq.⁵² These new investments are important for a sustainable impact on Mafraq. Aligning Mafraq's local development strategy with Jordan's economic modernization vision and identifying areas where the refugee workforce, entrepreneurship, and investment can support that vision will also be helpful.

4. Offer Investment Readiness Support and RLI Technical Assistance: Investment readiness support to local enterprises can help them access the necessary financing to scale, contributing to job creation and economic diversification in Mafraq. In addition to general advisory and technical assistance, both pre-and post investment specialized RLI-Technical Assistance will help companies develop refugee-inclusive business models and hiring

and sourcing practices.⁵³ This approach ensures that investments are not only financially viable but also contribute to community resilience and economic inclusion while developing the RLI pipeline.

5. Benefit from the Global Concessional Financing Facility (GCFF):⁵⁴ GCFF was established in 2016, and hosted by the World Bank, in response to the Syrian refugee crisis to enable middle-income refugee-hosting countries such as Jordan access concessional financing and reduce borrowing costs for development projects. Two funds that are currently actively disbursing in Jordan, the Private Sector Guarantee Facility (with \$30 million from GCFF), which aims to support MSMEs, and the Jordan Youth Technology and Youth Project (with \$36.9 million from GCFF), which aims to improve digitally enabled income opportunities, can be leveraged for the benefit of Mafraq.

6. Attract Syrian-Owned Businesses: Encourage Syrian-owned businesses in Jordan to establish operations and/or hire from Mafraq. In Jordan broadly, The World Bank has found that 1660 companies were formally registered by Syrians (with or without formal refugee status) by 2019, and another 10,051 had at least one Syrian owner.⁵⁵ Furthermore, there have been 37 Syrian investments, worth 190 million Jordanian dinars, within Industrial Estates in Jordan, as of 2022. Operating primarily in the food, pharmaceutical, textile, engineering, and plastic industries, these companies have generated more than 2,500 job opportunities.⁵⁶ Similarly, Syrian-owned companies attracted to the KHBTDZ can lead to inclusive job creation in Mafraq.

52 While the primary aim of the incentives provided to satellite operations is to hire vulnerable Jordanians, once the program's thresholds are met and these operations grow, there will be a need to include non-Jordanian employees.

53 RIN. "RLI-TA Playbook Enhancing Refugee Lens Investing Through Technical Assistance." October 2024. <https://refugeeinvestments.org/resources/rli-ta-playbook-enhancing-refugee-lens-investing-through-technical-assistance-report-october-2024/>

54 Global Concessional Financing Facility. <https://www.globalcft.org/>

55 The World Bank. Advancing Refugee Entrepreneurship. September 2023. <https://thedocs.worldbank.org/en/doc/848f8400f8c674057e83ea130d050ebc-0570012023/advancing-refugee-entrepreneurship>

56 Jordan Industrial Estates Company. "37 Syrian investments in Jordan's Industrial Estates." October 13, 2022. <https://www.jieccom/en/news/136/>

7. Strengthen partnerships between the humanitarian and private sectors: Humanitarian organizations such as UNHCR can play a pivotal role in advancing RLI in Mafrq by working with and listening to the private sector so that their employment, entrepreneurship, and skills development programs become more market-friendly

and demand - driven. Additionally, given the humanitarian sector's strong data collection capabilities, they can provide investors critical insights (e.g., labor skills, market size, and community needs). By facilitating linkages to refugee communities, these organizations can help bridge the gap between investors, enterprises, and refugees, supporting the private sector's impact goals.

Enhancing Local Economic Opportunities

1. Encourage Existing Funds and Business Support Services to Become Inclusive of Mafrq: Starting by conducting in-depth portfolio reviews of existing funds, banks, SME advisory facilities, and entrepreneurship support programs, identify and support promising Mafrq based businesses and impact enterprises that contribute to the local economy. Encouraging and incentivizing local actors to look beyond Amman and intentionally become more inclusive of secondary cities like Mafrq (e.g., through a special selection criteria or program category) can boost the RLI pipeline and thus, regional economic growth.

2. Support Mafrq's KHBTDZ: Assess needs and provide support to improve infrastructure, regulatory processes, and service delivery in the existing industrial development zone to attract local and international businesses.

3. Agriculture, Renewable Energy, and Export Hub: Position Mafrq as a center for export-oriented agricultural production and manufacturing, leveraging its geographical location and resources. Invest in agritech, renewable energy, and energy management systems to spur the governorate's economic growth and attract further investment. The Syrian workforce in Mafrq is widely recognized as hard working and committed. Address any skill gaps for local businesses by investing in demand-driven technical skills training in partnership with the private sector.

4. Za'atari and Mafrq as an Innovation Lab: Consider implementing technology pilots and operational innovations in Za'atari that can also contribute to Mafrq's investment environment. In partnership with humanitarian and development agencies, private sector actors can continue to play a significant role and bring innovations to the camp in waste, water, and energy management and other areas.⁵⁷ UNCHR's commitment to power the camp entirely with solar energy is another example of camp driven initiatives that can potentially support similar progress in Mafrq. To ensure that these community innovations, in or outside of the camp, are sustainable and not dependent on fluctuating donor and NGO partner budgets, sustainable business plans and private financing will need to be developed.

5. Harness the Potential of Digital Employment: Leverage opportunities in the digital economy by supporting ICT skills training for refugees and residents to create remote and home-based jobs through companies such as MadfoatCom, Orange, and Zain. Another potential company to engage in this effort is SkyTech, an ICT company founded in 2014 by a displaced Syrian woman software engineer.⁵⁸ ITC's RESI (Refugee Employment and Skills Initiative) Za'atari, which aims to build the digital skills of refugees and youth to be able to transact high-quality services through online markets, is a good partner for private sector enterprises.

⁵⁷ UNDP. Solid Waste Value Chain Analysis for Irbid and Mafrq. June 2025. Includes recommendations for investment in waste management in Mafrq such as formalization and professionalization of the recycling sector; creating cooperatives and em-parks to engage women in sustainable waste management; and fostering the growth of MSMEs in the sector. <https://www.undp.org/sites/g/files/zskgkz326/files/migration/jo/Jordan-Waste-Value-Chain-Report-FINALPDF> For example, the Za'atari camp generates 34 metric tons of waste, disposal of which poses a serious environmental challenge. A recent solution was a partnership between GIZ and Oxfam. 'Waste disposal with positive effects.' 2021 <https://www.giz.de/en/downloads/2021%2006%20Factsheet%20Wtp%20English.pdf>

⁵⁸ The World Bank. PS4R 'Advancing Refugee Entrepreneurship.' 2023 <https://thedocs.worldbank.org/en/doc/848f840of8c674057e83e-anodo50ebc-0570072023/original/FINAL-PS4R-Refugee-Entrepreneurship-Paper.pdf>

6. Support Local Infrastructure: According to UNHCR, "While Syrian refugees have done much to stimulate the local economy, their presence has also caused a strain on natural resources, higher rental prices, an increase in youth unemployment and demands for water, health and education, together with an increase in waste."⁵⁹ UNHCR is encouraging its partners to invest in the governorate both to ensure effective service provision to refugees and to

support the region's wider developmental aspirations. The Global Cities Fund for Migrants and Refugees and the Cities Alliance's Secondary Cities program can be good resources for Mafraq, in partnership with UNHCR, IFC, and local stakeholders, to design projects that support the public sector and development.



⁵⁹ UNHCR Factsheet- Mafraq Governorate. April 2015 <https://data.unhcr.org/en/documents/details/45769>

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